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INCLUSIVE AGENDA Poverty alleviation & infra growth need not be in opposite sides

A Shift to a More Mature 3-5 Year Growth Blueprint

**EXPERT TAKE****RASHESH SHAH**CHAIRMAN & CEO,
EDELWEISS GROUP

THE INDUSTRY'S reaction to the finance minister's proposals has been muted, but I believe Budget 2015 heralds a coming-of-age in the fiscal planning for the nation. Much like the railway budget, Budget 2015 was a shift from the once-a-year exercise of making big-bang announcements to a more mature drawing up of a 3-5-year broad blueprint for turning around the economy, 365 days a year, 24 hours a day.

Jaitley has made it clear that poverty alleviation and infrastructure growth don't need to be in opposing sides, and the Budget has signalled a structural shift in focusing on both the agendas. While there has been a ₹75,000-crore increase in infrastructure spending, the national social agenda and the people have been kept at the front and centre of financial planning.

Fiscal space for a universal social security scheme has always eluded the lower and middle class, and this Budget has made an important beginning in addressing this. A real attempt at transforming India into a 'pensioned society', a slew of ben-

efits for senior citizens, increase in medical expense exemption, a push towards affordable housing, and allocation of ₹20,000 crore for SME units, has given the middle-class more money for pure consumption.

Many were expecting a slew of measures to boost manufacturing as part of the PM's Make In India campaign. But with industrial production indicators not reconciled to the easing of regulatory hurdles, it is clear that increasing production for its own sake will not kick-start the economy. We can continue opening steel plants, but the largest consumers of steel — housing and auto — must also increase production backed by high demand.

With low inflation and a decline in fuel prices, real incomes should increase. Given that the government is short of resources, it can't go aggressively in the direction of lowering taxes. Budget 2015 is a reform document that should be viewed as only the first in the series of initiatives to keep India's fiscal deficit, 'growth locomotive' from veering off course.

SECTORS TO WATCH OUT FOR

▲ BANKING ▲ REAL ESTATE ▲ ROAD ▲ EPC

Demand must be generated by focusing more on infrastructure spending, all of which will not only create jobs and ultimately, increase consumption, but can also revive other sectors which have cross-linkages

Business Standard 1.03.2015

BS JURY

India Inc is encouraged by a determined Budget that commits the government to transformation

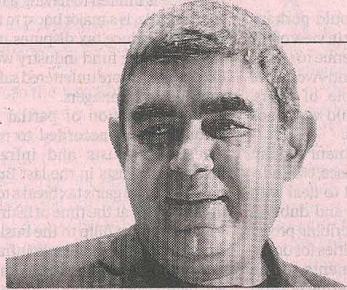
◆ Predictability of policies will trigger a multi-year growth trajectory



KUMAR MANGALAM BIRLA
Chairman, Aditya Birla Group

Due to the massive electoral mandate and the fiscal gift of lower crude oil prices and low inflation, this Budget came with the burden of huge expectations. But any expectation of "Big Bang" had been tempered by the Economic Survey, which advocated a persistent, incremental and creative approach. The FM has managed to achieve a remarkable balance.

Reforms, such as the JAM trinity (Jan Dhan Yojana, Aadhaar identity, mobile) for effective subsidy delivery, rollout date for the Goods and Services Tax (April 2016), crucial tax reforms, and a huge tax devolution to the states. The latter means that 62 per cent of national tax revenues now reside with the states. A choice of mega infrastructure push, levers to enhance ease of doing business, and crucial financial sector reforms all imply that the FM has triggered a multi-year sustainable growth trajectory for India



VISHAL SIKKA
MD & CEO, Infosys

The Finance Minister has reinforced the government's commitment to transform India by renewing its existing fabric - bringing in the ease of conducting business, transparency in policies and stability in the tax regime. At the same time, the Budget also supports new initiatives that encompass incubation facilities for start-ups, technology-led innovations for flagship programmes such as Make in India and Innovate in India, along with purposeful programmes like the universal social security system and the anti-inflation monetary policy framework to tackle India's challenges. Underlying this agenda is a strong foundation that supports inclusive growth and a demonstration of clear commitment to maintaining financial discipline and lowering the fiscal deficit to three per cent in three years



PAWAN MUNJAL
MD & CEO, Hero MotoCorp

There are several pluses in this Budget which will hopefully set the tone and direction for the next five years. The infrastructure fix was much-needed, as was the impetus to Goods & Services Tax (GST). The significantly higher plan outlays for infrastructure, including roads, should eventually help industry produce and sell more efficiently. Some directions on tax and deficit targets have been set all stakeholders will benefit significantly. What is also reassuring is the keenness to put more money into the purses of hard working Indians instead of handing out freebies. Today, because of a surfeit of FTAs, duty free finished goods end up in India from South East Asia, even as domestic manufacturers struggle with duties high raw material and components. The effort to level the playing field, therefore, is reassuring



PRAMIT JHAVERI
CEO, Citi India

The Government has made clear its fiscal targets and attempted to evidence how these can realistically be achieved. On taxation, there is clarity on GAAR, both intent and the direction to widen our tax base and the reiteration of a clear desire to retreat from an adversarial tax regime. There is also an aspiration to bring our savings rate back to 36 per cent and equally important, to commence the process of channelising savings into the financial system and in turn, to direct these increased flows into productive segments of the economy. Finally, there have been some very specific decisions for the reform of the banking industry, the health of which will be pivotal to fuel higher growth rates. It is a statement that leaves one feeling that we are well on our way in achieving our two objectives: ease of doing business in India and a recovery to much higher levels of GDP growth



KUNAL BAHL
Co-founder, Snapdeal

As expected, Make in India was the flavour and it was heartening to see the government recognise the value of the impact being created by start-ups. The government's promise of bringing GST into play by April 1, 2016 will be a game changer as it allows friction free trade between states and simplifies the tax liabilities for small businesses that are using online sales channel. The asymmetric tax regimes followed by the states is one of the biggest challenges for companies as it impedes the growth of the e-commerce industry in India.

The announcement of innovation fund and skill promotion initiatives is a welcome step towards maximising the potential of internet driven businesses. E-commerce in India has the potential to generate 10 million jobs in the next three years and this alone can propel the economy towards a double-digit growth



VIVEK GAMBHIR
MD, Godrej Consumer

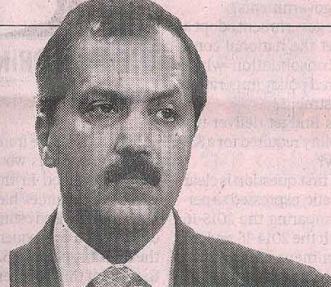
A responsible and determined Budget, this achieves a good balance between fiscal consolidation and reforms. In FMCG, various initiatives announced should bring recovery back on track. More income in the hands of middle class consumers will increase consumption of branded goods and services. Incentives for rural India, increasing MNREGA and infrastructure development, will augment inclusive growth along 'Sabka Saath Sabka Vikas'. 'Make in India' and boosting sectors like manufacturing will guide much needed job creation. Focus on skilling, education and entrepreneurship, should provide the long-term backbone required to sustain this trajectory. The definite timeline of April 2016 for the transformative GST is reassuring. This has to be successfully implemented. Other things remaining constant, it would add 2 per cent to GDP growth



TOM ALBANESE
CEO, Vedanta

Stability, consistency and predictability of government policies create an investment climate is a necessary condition to attract investments. The Budget continues the growth momentum ushered by the new government. The key takeaway from the budget is its focus on infrastructure, public investments and social security measures. Increased outlays on infrastructure development would be a key growth enabler for other inter-dependent sectors. The higher public investments will be a help for private investments too.

We expected measures that would have led to a stronger Indian resources sector, important for the Make in India vision such as re-establishment of tax parity to provide level playing field to domestic vis-à-vis imported crude oil. Export duty relief for Goa iron ore exports was another such expectation



SANJAY NAYAR
CEO, KKR India

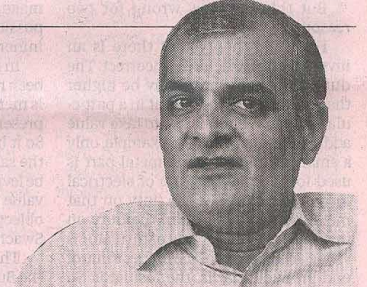
Finance Minister Arun Jaitley delivered welcome messages in support of India's long-term growth, a renewed focus on funding infrastructure investment to increasing public investment in infrastructure to enforcing tax stability. These will go far in encouraging FDI. If India is backing itself, foreign investors will take note. What additionally helps is allowing private equity, real estate and hedge fund investors to invest in alternate investment funds. While the market needs to assess the full implications, it underscores the government's focus on encouraging FDI.

Reducing corporate tax to 25 per cent over the next four years and pledging a tax regime that is internationally competitive will support businesses. Ongoing efforts to reduce tax uncertainty will only compel international investors towards Indian opportunities across asset classes



VIKAS SHARMA
CEO, Nomura India

Three particular aspects of strategic importance stand out. First, focus on reigniting the infrastructure cycle. Creation of the National Infrastructure Investment Fund and issuances of tax-free bonds will help reduce the burden on central government's balance sheet. The need for the sovereign to bear a major part of the risk in the PPP model, corporatisation of ports and a plug-and-play model for infrastructure development are paradigm changes for this sector. Two, a longer term roadmap to reduce corporate tax rates with fewer exemptions will be a positive for private sector investments. The hike in service tax rate is consistent with the plan to introduce GST from April, 2016. Third, higher tax devolution from the centre to states is a big positive. Studies have shown that the multiplier effect of state's spending is much higher



RASHESH SHAH
Chairman, Edelweiss

The FM delivered a people-friendly Budget while not losing sight of the importance of boosting infrastructure. The focus was on creating social security in terms of accident insurance and pension at meager premium rates - these were the key measures for the middle-class and senior citizens. The FM tried to rev up the capital expenditure cycle by enhancing the targeted fiscal deficit ceiling from 3.6 per cent to 3.9 per cent giving him an additional headroom of about ₹36,000 crore. Aided by this fiscal space, ₹75,000 crore of incremental expenditure on infrastructure is planned. The overall emphasis in the Budget was making it easier to do business in India by plug-and-play tendering for large power plants and a similar model is envisaged to be followed for projects, in road, rail and ports sector. This could be a game-changer for India's infra companies

Mint 01.03.2015

QUICK TAKE



RASHESH SHAH
Chairman and group chief executive officer,
Edelweiss Financial Services

Like

- Deduction in corporate tax rate from 30% to 25% over the next four years
- Increase in pension limits will spur investments in bonds, equities
- Consolidation of FDI and FPI—big positive especially for private banks
- The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest for NBFCs—huge positive as NBFCs are also complementing banking credit

Dislike

- Low capital allocation for the state-owned banks' capitalization. Government-owned banks are typically short on capitalization
- A lot of manufacturing incentives
- Increase in indirect taxes could act as brake on growth. We would have been happy with some reduction in excise duty and service tax, as we need to spur the demand, especially consumption demand

Business Standard 3.03.2015

Edelweiss's NCD issue fully subscribed

The public issue from ECL Finance, the non-banking financial company arm of Edelweiss Financial Services, of secured redeemable non-convertible debentures NCDs has been fully subscribed. The primary issue size was ₹400 crore with an overallotment option of another ₹400 crore. The bonds had a tenure of three and five years while the coupon rate is in the range of 10 to 10.60 per cent.

BS REPORTER

Mint 3.03.2015

Edelweiss arm raises ₹800 crore

Mumbai: The public issue from **ECL Finance Ltd**, the NBFC (non-banking financial company) arm of **Edelweiss Financial Services Ltd**, has raised a total of ₹800 crore by selling non-convertible debentures (NCDs) to both individuals and institutional investors. The issue was closed on Monday much earlier than its original closure of 16 March, the company said. **JOEL REBELLO**

Business India March' 2015

Rich on intent

The Budget lays the foundation for double-digit growth

Going into the first full-fledged Budget of the Modi government, expectations were running high, almost as if one Budget will address all the lingering problems of the economy. Of course, it was not to be. However, in my view, the Budget has been reasonably good in several regards. First, it is growth-enhancing in the near-term, given the relaxation in the fiscal consolidation road map and this is done with credible fiscal math – something which has been missing in the previous Budgets. Modest relaxation in fiscal targets should not upset ratings agencies or monetary policymakers because, first, inflation risks are very contained and second, extra spending is going in the area of infrastructure (especially roads, railways) which is capacity augmenting. Indeed, setting up of National Investment Fund, which can raise capital for financing infra-spending and revisiting the PPP model showcases the government's commitment to drive infrastructure sector.

From the medium term perspective, the areas which are accorded high priority (apart from infrastructure) are GST implementation, direct benefits transfer through Jan Dhan Yojna, addressing the issue of black money, and enhancing ease of doing business. As regards GST, the FM has responsibly made provisions for GST compensation to states, given that the GST Amendment Bill is already in the Parliament. Further, he is sticking to the deadline of April 2016 for the roll-out of the GST.

Equally encouraging is the fact that the government is making swift progress on Jan Dhan (which has already covered 125 million families) and cash transfers have already started in the case of LPG subsidies. Perhaps, food subsidy could be the next area, as ultimate aim of the government is to provide leak-proof social benefits to people of India.

Right from day one, this government seems to be committed to enhancing ease of doing business and this is very much part of 'make in India' and 'minimum government, maximum governance' initiatives of the prime minister. The FM talks about setting up an e-business portal, which would integrate several regulatory permissions in one source, plan to introduce a resolution of disputes bill, to streamline institutional arrangements for resolution of disputes pertaining to government contracts. This



VIKAS KHEMANI

should reduce cost overruns and delays in infrastructure projects.

In addition, giving a roadmap for corporate tax reduction over four years and fixing the inverted duty structure (example for electronics industry) are moves that clearly show that the government is taking a holistic approach to 'Make in India' – which is infrastructure improvement, tax incentives, and skill enhancement.

On the issue of black money, the finance minister plans to introduce a 'benami bill', which would confiscate 'benami property' and provide for prosecution. The aim is to ensure that real estate transactions come under the tax net.

Apart from these focus areas, there are several other areas that deserve mentioning. There is a clear effort to boost financial savings in the country through tax incentives for health insurance, pension. Sovereign gold bond is also aimed at reducing the allure of physical gold and encouraging financial savings. This could bring a lot of unproductive savings into main stream. Secondly, the FM stated that the process of formalising a new monetary policy framework is complete and he would be looking to set up a monetary policy committee, much on the lines of the central banks in the West.

In the coming year, the government is also looking to bring in a bankruptcy law (as per global standards). This is a long-awaited reform and structurally positive.

An area where the Budget has disappointed is that not much attention has been paid to the PSUs' recapitalisation (provision for recapitalisation is quite inadequate). Also, the issue of stressed assets, such as gas-based projects, has not been addressed properly. Another area where a lot could have been done was in the affordable housing segment. The FM was surprisingly silent on this.

Still, in all, a lot has been achieved in this Budget. It holds the promise of a lot to come in the coming years. It is a process of nation-building and, therefore, the journey cannot stop with one Budget. I remain a lot more positive about the intent of this government, which is clearly committed to taking India to the double-digit growth path and I see that in every action they are taking. We can only complain about pace, but surely not direction and intent.

The author is president
& CEO, Edelweiss
Securities

Hindui Business Line 27.03.2015

Mahapatra joins Edelweiss board

New Delhi, March 27

Edelweiss Financial Services on Friday said it has appointed B Mahapatra, former RBI Executive Director, as an independent director on its board. In his previous role as ED, Mahapatra was in charge of the department of banking operations and development, Department of Government, bank accounts and inspection. He was instrumental in drafting the universal banking guidelines in 2013 and recently played a pivotal role in drafting the small and payments banks guidelines. OUR BUREAU

Maharashtra Times 07.02.2015

स्मार्ट सिटीज- भारताच्या शहरीकरणाचा राजमार्ग



एखादं शहर 'स्मार्ट' असणं म्हणजे काय याची व्याख्या अद्याप सुस्पष्ट व्हायची असली तरी आधुनिक आणि सक्षम शहरात काय असेल याचा अंदाज बांधणं अवघड नाही. या 'स्मार्ट सिटी'मध्ये हाऊसिंग, शहरी पायाभूत सुविधा, दळणवळण आणि सेवा यांची किमान अपेक्षा पूर्ण केलेली असेल.

खरा भारत हा खेडेगावांमध्ये पाहायला मिळतो. हे आपण वर्षानुवर्ष एकत आलो आहोत. भारतासारखी आर्थिक प्रगती असणाऱ्या इतर देशांच्या तुलनेत भारताच्या शहरीकरणाचा वेग थोडा कमीच आहे. भारताच्या एकूण लोकसंख्येच्या ३१.६ टक्के जनता ही शहरात राहते (२०११ च्या जनगणनेनुसार). इतर 'ब्रिक्स' देशांमध्ये हेच प्रमाण वेगळं आहे. उदा. चीनमध्ये ५०.६ टक्के, दक्षिण आफ्रिका ६२ टक्के, रशिया ७४ टक्के आणि ब्राझील ८४.६ टक्के.

असं असलं तरी हे चित्र लवकरच झपाट्याने बदलताना दिसेल. असा अंदाज आहे की पुढल्या ३५ वर्षांत भारतातली शहरी लोकसंख्या वाढून दुप्पट म्हणजेच ४१ कोटीवरून ८१ कोटी इतकी होईल. यामुळे सध्याच्या शहरांवर ताण तर येईलच पण अशी नवी शहरंही निर्माण होतील.

स्मार्ट सिटीज: या परिस्थितीला सकारात्मक प्रतिसाद देत भारत सरकारने १०० स्मार्ट सिटीज उभारण्याचा संकल्प केला आहे. १० लाख किंवा त्याहून अधिक लोकसंख्या असणाऱ्या शहरांची संख्या ५४ वरून (२०११ च्या जनगणनेनुसार) २०३० पर्यंत ६८ होणार आहे. या 'स्मार्ट सिटी' प्रकल्पामध्ये या

६८ शहरांना 'स्मार्ट' बनवण्याबरोबरच नव्या स्मार्ट सिटीज उभारण्याचाही अंतर्भाव असेल.

'स्मार्ट'ची व्याख्या: एखादं शहर 'स्मार्ट' असणं म्हणजे काय याची व्याख्या अद्याप सुस्पष्ट व्हायची असली तरी आधुनिक आणि सक्षम शहरात काय असेल याचा अंदाज बांधणं अवघड नाही. या 'स्मार्ट सिटी'मध्ये हाऊसिंग, शहरी पायाभूत सुविधा, दळणवळण आणि सेवा यांची किमान अपेक्षा पूर्ण केलेली असेल. या प्रत्येक बाबीचा आपण विस्ताराने आढावा घेऊ.

हाऊसिंग: समावेशक शहरांची उभारणी: आपली शहरं सध्या समाजातल्या सर्व स्तरांना आपल्या सामावून घेण्याएवढी सक्षम नाहीत. जमीन तसंच घरांच्या वापरासंदर्भातले नियम उदा. एफएसआय, सेटबॅक्स आणि प्लॉट रिझर्व्हेशन आदींवर जमिनीच्या अतिरिक्त वापराचं प्रमाण अवलंबून असतं. यामुळे जमिनीची किंमत वाढते आणि त्यामुळे गरीब जनते जगणं अतिसामान्य बनतं आणि ते अनधिकृततेच्या गर्तेत ढकललं जातं. त्यामधूनच जन्माला येते ती झोपडपट्टी. यात कोणत्याही सोयीसुविधा नसल्यामुळे इथल्या राहणीमानाचा स्तर एकदमच खालावलेला असतो. त्याचा परिणाम झोपड्यांमध्ये राहणाऱ्यांच्या जीवनावर तसंच शहराच्या एकूण उत्पादनक्षमतेवर होतो.

'स्मार्ट' शहर कसं असावं याची एक कसोटी म्हणजे ते शहर समाजातल्या सर्व स्तरांमधल्या लोकांना सामावून घेतं की नाही आणि त्यासाठी काही उपाययोजना करतं की नाही.

नागरी पायाभूत सुविधा: आपल्या सध्याच्या शहरांमध्ये गेल्या अनेक वर्षांत हॉस्पिटल्स, शाळा आणि बगिच्यांसारख्या अनेक नागरी सुविधांची उभारणी करण्यात आली आहे. या सुविधांमध्ये अधिक भर घालण्यासाठी, प्रत्येक वर्षीच्या अर्थसंकल्पात नियोजन आणि आर्थिक तरतुदी केल्या

जातात. मात्र अस्तित्वात असणाऱ्या सुविधांच्या माध्यमातून कशाप्रकारच्या सेवा दिल्या जातात आणि त्यांचा दर्जा याकडे मात्र फार कमी लक्ष पुरवला जातं. त्यामुळे आपल्याकडे अशी परिस्थिती आहे की पालिका हॉस्पिटल्स आणि शाळा अशाच वर्गाकडून वापरल्या जातात ज्यांना त्यांचे पर्याय परवडत नाहीत. 'स्मार्ट' सिटीमध्ये याची खात्री असेल की नागरी सुविधांमध्ये किमान दर्जा पाळला जाईल जेणेकरून त्या समाजातल्या सर्व स्तरांमधल्या लोकांकडून वापरल्या जातील.

दळणवळण: आपल्या शहरांमधली सार्वजनिक दळणवळण यंत्रणा पुरेशी नाही. त्याजोडीला ही यंत्रणा अशा स्वतंत्र वाहतूक आस्थापनांवर अवलंबून असते ज्यावर पालिका आयुक्त किंवा कोणत्याही नेतृत्वाचा अंमल नसतो. त्यामुळे शहराचा विकास, रस्तेबांधणी आणि दळणवळण यात कोणताही सुसंवाद नसतो. त्याचाच परिणाम म्हणजे खासगी वाहनांच्या संख्येतली भरमसाठ वाढ ज्यामुळे मर्यादित रस्ते पूर्णतः व्यापून जातात. 'स्मार्ट' सिटीमध्ये सार्वजनिक दळणवळणाचं व्यापक आणि समर्थ जाळं असेल ज्यामुळे नागरिकांना खासगी वाहन घेण्याची गरजच भासणार नाही.

शिवाय देशातल्या इतर भागांशी जोडलं जाण्यासाठी शहरात एक विमानतळ आणि रेल्वे स्टेशनही असेल.

स्मार्ट सिटीजना अर्थपुरवठा: या शहरांचा कारभार सुरळीत चालू राहण्यासाठी हे आर्थिक पाठबळ लागेल ते मिळवण्याचे चार मार्ग आहेत- केंद्र/राज्य सरकारकडून आर्थिक सहाय्य, रहिवाशांकडून बाजारपेठेशी सुसंगत वापर शुल्क आकारणं, म्युनिसिपल बॉण्ड्स किंवा तत्सम कर्जरोख्यांच्या रूपातून बाजारपेठेतून कर्ज घेणं आणि त्या त्या शहरांमधून उभारलेल्या निधीचा थोडा हिस्सा त्या

त्या शहरांना स्वतःकडे राखू देणं.

शेवटचा पर्याय म्हणजे विशेषत्वाने आकर्षक ठरेल जर ही शहरं वसत असतानाच तिथे उत्पादन/सेवा केंद्रांची उभारणी झाली तर शहराला उत्पन्नाचा एक निश्चित स्रोत मिळेल.

स्मार्ट गव्हर्नन्स: सध्या आपल्या शहरांकडे कोणतंही सांघिक नेतृत्व नाही. पोलिस, वाहतूक विभाग आणि आरोग्यसेवा हे महत्त्वाचे विभाग वेगवेगळ्या आस्थापनांतर्गत काम करतात. जगभरात उत्तम कारभारासाठी ओळखल्या जाणाऱ्या शहरांच्या हे एकदम विरुद्ध आहे. नेतृत्वाच्या या विकेंद्रीकरणामुळे शहराच्या भल्याची जबाबदारी कोणत्याही विशिष्ट आस्थापनेवर नसते. त्यामुळे नियोजनाची प्रक्रिया आणि सुसंवाद मंदावतो.

स्मार्ट प्रशासन: देशातल्या उत्तम प्रशासनासाठी काम करणारे विशेष अधिकारी केंद्रात तसंच राज्यांमध्येही आहेत. असेच खास अधिकारी शहर पातळीवरही असले पाहिजेत. याची सुरुवात आयएसएस दर्जाच्या अधिकाऱ्यांना शहरी भारताचं व्यवस्थापन करण्याचं प्रशिक्षण देऊन करता येईल.

थोडक्यात काय तर, भारतातला शहरीकरणाचा वेग वाढवण्यासाठी त्यासाठी आवश्यक असणाऱ्या घटकांची वेळोवेळी पूर्तता करणं गरजेचं आहे. 'स्मार्ट सिटीज'च्या उभारणीमध्ये वर उल्लेखलेल्या घटकांचा समावेश असला पाहिजे. सर्वाधिक शहरं असणाऱ्या देशांमध्ये भारताचं नाव घेण्यासाठीच्या प्रक्रियेला आता सुरुवात झाली आहे ही प्रक्रिया घडताना पाहणं आणि त्याचा भाग बनणं रंजक असेल.

- अनिल कोदुरी

(लेखक एडलवाइज ग्रुपच्या रिटेल फायनान्स विभागाचे प्रमुख आहेत.)
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Advertorial and Promotional Feature

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Q WOMEN IN FINANCE HAVE MADE A LOT OF HEADWAY WITH NAMES SUCH AS CHANDA KOCHHAR AND KALPANA MORPARIA. WHY DO YOU THINK THIS INDUSTRY HAS BEEN SO WOMEN-FRIENDLY?

Radhika: I think this is a combination of the strong mentorship women have received by veterans like KV Kamath, the professionalism this industry has had, and that successful women have



IMAGES/BAZAAR



>> Radhika Gupta



>> Vidya Shah

As Women's Day approaches, **Radhika Gupta**, business head, Forefront Capital, an Edelweiss Group Company and **Vidya Shah**, CEO, EdelGive Foundation tell us why women shine so well in the BFSI sector

"Women are often equal earners and in many cases, bread winners of their families"

and situations of high pressure very well, all of which are great qualities in the financial services industry.

Vidya: The nature of work is such that women feel more comfortable working in a financial company, giving valuable advisory financial

service and using their analytical minds. At the same time, the industry also mandates a good level of education making it more attractive, with the high possibility of having a well-paying job. The ever-rising number of successful women role models in the Industry has kin-

dled interest and given confidence to more women to venture into the sector.

Q WOMEN HAVE ALWAYS BEEN KNOWN TO BE THE BUDGET-KEEPERS OF THEIR FAMILIES, EVEN THOUGH MEN HAVE HAD THE TAG OF BREAD EARNERS. DO YOU SEE THESE TAGS VANISHING WITH TIME?

Radhika: In today's times of double income earners, women are often equal earners and in many cases, bread winners of their families. They have grown from being budget keepers to also being strong financial and investment planners for the family. In many parts of the western world, women have taken over as bread winners of the family

and I don't see why that can't happen in India.

Vidya: In my opinion, this tag doesn't come with a negative connotation. Women tend to be better budget keepers because they are more responsible for the overall

well-being of the family; they feel deeply about the broader issues like health, education, savings, etc. Women should welcome such methods of tagging, which in a way empower them to have more say in any decision-making.

The Week MARCH'15

14 THE WEEK : MARCH 8, 2015

COVER STORY



I WAS TOLD TO BUILD A BRAND, AND I DID THAT. I KEPT IN TOUCH WITH THE MEDIA, APPEARED ON TELEVISION AND THIS ALSO HELPED ME STAY IN TOUCH WITH THE MARKETS.

Radhika Gupta, founding principal at Forefront Capital Management

benchmark (S&P BSE 100). Her philosophy is to be cautious and focus on making fewer mistakes. "Our emphasis is on capital preservation," says Andani, who always looks for higher margins of safety. "Preserve capital in bad times and promote growth in good times. We look for long-term sustained growth and management that can deliver the growth."

Andani, a chartered accountant and graduate from Narsee Monjee College of Commerce and Economics, Mumbai, developed an interest in finance when she was made to analyse company reports in class. She thoroughly enjoyed the discussions and analyses about management techniques and balance sheets of companies. Around the same time, she read an interview with finance whiz K.R. Choksey and realised she wanted to deal with equity markets. "I was very impressed by that interview," she says. "It spoke about the opportunity to create individual wealth in an honest manner. The idea that wealth could be created in this manner was appealing." She joined Choksey soon after college and a few years later, moved to CRISIL, where, she feels, her thought process broadened. She then worked with ING Vysya as a senior analyst before entering fund management at SBI MF.

Andani's early fascination with creating wealth has not dimmed in the least. "Just the client satisfaction, knowing that I have created wealth for them, is a big driver," she says. She was the first woman in her team in equity research. She says that the number of women are fewer up the ladder, and feels that for women to stick with the job and grow, they need to be positive and constantly set priorities in place.

Like Andani, Radhika Gupta, founding principal at Forefront Capital Management [acquired by Edelweiss Financial Services in April 2014], was also the only woman in her team when she started working with a financial firm in the US. The Wharton graduate has garnered many accolades in the hedge fund space. The Forefront India Dynamic Value Fund, created by her, was a nominee for India's

Financial Chronicle 23.03.2015

WEEKLY INTERVIEW

India is now less vulnerable to external shocks

The unwinding of easy monetary policy by the US Fed is bound to have a deep impact on the stock market, the rupee and companies that have huge loads of dollar debt, says **Vinay Khattar**, associate director and head of research at Edelweiss Securities. In an interview with **Vikas Srivastav**, he however says portfolio inflows would still remain strong as India's position remains strongest among the emerging markets. Excerpts:



■ **How would the US Fed decision to go for a rate hike affect domestic equities in terms of FII investment?**

Though the US Federal Reserve has ruled out a rate hike in April, unwinding of the easy monetary policy is inevitable as the economy moves towards a sustainable growth trajectory with stable inflation.

Over the last few years, foreign investors were the main drivers of the domestic equity market and, hence, any flight of capital due to higher interest rate in the US will impact market performance. Moreover, the rupee will also come under pressure due to outflow of money and that would further impact our import-driven economy.

But we expect the rate hike to lead to only short-term outflows, mainly because India remains fundamentally strong on several fronts and looks poised to remain an attractive investment destination.

Also, vis-à-vis emerging markets, India's position is the strongest in the stable — "the only bright spot in the gloomy global economy," as IMF chief Christine Lagarde puts it.

As opposed to a current account deficit (CAD) of 4 per cent a couple of years ago, India's CAD is expected to be 1.2 per cent of GDP and dollar reserves are likely to hit a record \$337 billion this financial year. On the strength of our stable fiscal position, we expect global liquidity (from the UK, Japan and Europe) to continue to aid the Indian market.

■ **How would it impact the Indian companies having large dollar-denominated debt?**

This is an area of concern, as an appreciation of the dollar is expected to cause some pain to importers and companies that are heavily leveraged in dollar loans, particularly through foreign currency convertible bonds, which have been a convenient way to raise cheap debt. The problem is exacerbated for those companies that have failed to hedge their dollar exposure — a common weakness among Indian companies. We expect to see several top companies finding their balance sheets in the red on the back of currency losses.

Investor optimism has seen India Inc raise a record \$19 billion this year through foreign borrowings on expectations that the currency will remain stable. If the US Fed raises rates, it will be the first time since 2006 RBI might have to adopt measures to ease the burden, like a liquidity push, at least in the short term.

■ **How do you see the Indian market in the short term and by when do you expect market volatility to stabilise? Do you think volatility is a phenomenon that would continue for some time?**

Global issues could have a ripple effect causing some turbulence in the domestic market. The timing of the US Fed rate hike and fears of Grexit (the exit of Greece from the European Union if it does not accept the bailout plan) could lead to some volatility.

Depressed global demand, stagnation and deflation prob-

lems in EU have also had an effect on India's exports, which fell for the third straight month in February. That could be a confidence drainer for fresh investment. But India is less vulnerable to external shocks than it were a year ago, and global triggers could offer excellent entry levels in the domestic market.

■ **As the market is stressed, which sectors are you hopeful of outperforming and why?**

We are bullish on private banks and NBFCs, because lower inflation and interest rates will lead to higher mark-to-market on bond portfolios, resulting in higher values on funds.

Crucially, with the monetary cycle reversing, lower interest rates will increase demand for consumer and corporate loans and lead to higher credit growth. This will undoubtedly have an effect on the auto and auto ancillary industries in particular, which will naturally benefit from consumption and domestic demand getting a boost. Better opportunities in manufacturing by facilitating investment and a supportive government committed to easing regulatory hurdles are expected to give a fillip to this sector.

■ **Do you expect RBI to go for another rate cut in the next policy meeting as CPI inflation once again rose and WPI went into negative?**

RBI is unlikely to cut rates in April, after cutting repo rate twice since January. The central bank is likely to pursue a cautious approach and examine the impact of its decisions so far on the inflation indicators under the new monetary framework of inflation-targeted measures. However, we do expect another rate cut of 75 basis points in FY16.

■ **By when do you expect the capex cycle of India Inc to revive since approvals and award of infrastructure projects have still not picked up?**

Despite positive investor sentiment, budgetary spend on infrastructure and easing of regulatory issues by the government, the capex cycle has not yet revived. Companies have been already highly leveraged and they may not find it viable to invest at this stage.

It is reassuring that the process for obtaining clearance for projects has been speeded up, and the government has made substantial allocations towards infrastructure. The plan outlay for roads, railways and power sectors has increased by around 64 per cent year-on-year (YoY) at Rs 2.42 lakh crore.

This is no mean commitment. But it will take time for the investment cycle to pick up because of high indebtedness and low demand that these sectors are facing. We expect companies to be in a position to revive the investment cycle by the first half of FY16. ■

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Dainik Jagran 31.03.2015

PPF कर बचाने वाले के लिए इन पांच बिंदुओं से समझिए

बचत करने की ये छोटी स्कीम हमेशा से कर बचाने के एक साधन के रूप में लोकप्रिय रही है। चूंकि ये देश का सबसे बड़ा और लोकप्रिय निवेश है, अतएव इसके बारे में थोड़ी जानकारी रखना आवश्यक है।

ब्याज दर: एक समय ऐसा भी था, जब पीपीएफ की ब्याज दरें सरकार द्वारा निर्धारित की जाती थीं। ये हमेशा साल भर फिक्स हुआ करती थीं और सामान्यतया हर साल होने वाले दरों के संशोधन में इसे बढ़ाया ही जाता था। इससे सरकार की तिजोरी पर ज्यादा बोझ पड़ने लगा और इसका रख-रखाव करना भी काफी खर्चीला हो गया। अतएव सरकार ने पीपीएफ की ब्याज दरों को बाजार से जोड़ दिया। अब ये दरें सरकार की प्रतिभूति बांड के आधार पर तय की जाती हैं और इन बांडों का 10 साल का जो भी औसत दर होता है, उससे पीपीएफ की ब्याज दर

0.25 फीसदी ज्यादा होती है। ब्याज की इन दरों को हर साल अप्रैल के महीने में तय किया जाता है और इसका आधार पिछले साल से 10 साल तक के औसत दर का होता है। उदाहरण के लिए अगर सरकारी प्रतिभूतियों का पिछले 10 साल का औसत ब्याज दर 8.5 फीसदी है तो पीपीएफ की दर 8.75 फीसदी होगी।

ब्याज दर की गणना: पीपीएफ पर ब्याज सालाना चक्रवृद्धि की दर से होता है, पर इसका आंकलन हर माह किया जाता है। ब्याज दर की गणना महीने के पांचवें और आखिरी दिन में जो सबसे न्यूनतम बैलेंस

होता है, उसी के आधार पर होती है।

तरलता: पीपीएफ में किए गए निवेश को 15 साल तक के लिए लॉक कर दिया जाता है। आप तब तक पैसे को निकाल नहीं सकते हैं। हालांकि आपको आंशिक निकासी की इजाजत जरूर दी जाती है। पहली आंशिक निकासी 6 साल के बाद ही दी जाती है और यह राशि आखिरी साल या फिर चौथे साल के बैलेंस में जो भी कम होगा, उसका आधा ही हो सकता है।



निर्मल रेवाड़िया
बिजनेस प्रमुख,
एडलवाइस
फाइनेंशियल प्लानिंग

नहीं होंगे, अर्थात आपको रिटर्न सिर्फ एक लाख की राशि पर ही मिलेगा। एक साल में अधिकतम 12 किश्त अदा की जा सकती है। जबकि सालाना न्यूनतम निवेश की राशि 500 रुपए होती है, ताकि आपका खाता चालू रहे। अगर आपका खाता बंद हो जाता है तो आपको 50 रुपए सालाना जुमाना भी देना पड़ता है।

कर के फायदे: पीपीएफ में निवेश करने से आप आयकर की धारा 80 सी के तहत कर में छूट पाने के हकदार होते हैं।

पीपीएफ के ब्याज से मिले रिटर्न या पीपीएफ खाते से निकाले गए पैसे पर कोई कर नहीं होता है। पीपीएफ ही एक ऐसा निवेश का माध्यम है जिसमें सभी तीनों चरणों में कर का फायदा होता है। शुरुआती निवेश में, निवेश के रिटर्न में और निवेश में से किए गए निकासी में। जो निवेशक जोखिम नहीं लेना चाहता या फिर स्व-रोजगार वाले नौकरी-पेशा लोग, खासकर उनके लिए जो किसी कर्मचारी भविष्य फंड या फिर किसी रिटायरमेंट स्कीम के कवर में नहीं आते हैं, एक बहुत ही उपयोगी निवेश है।

उपयोगी विचार: पीपीएफ में निवेश करते समय हर महीने की 5 तारीख के पहले अपनी किश्त जमा कर दीजिए, ताकि आपको उस महीने का भी ब्याज मिल जाए।



एक साल में सिर्फ एक बार ही निकासी की

इजाजत दी जाती है।

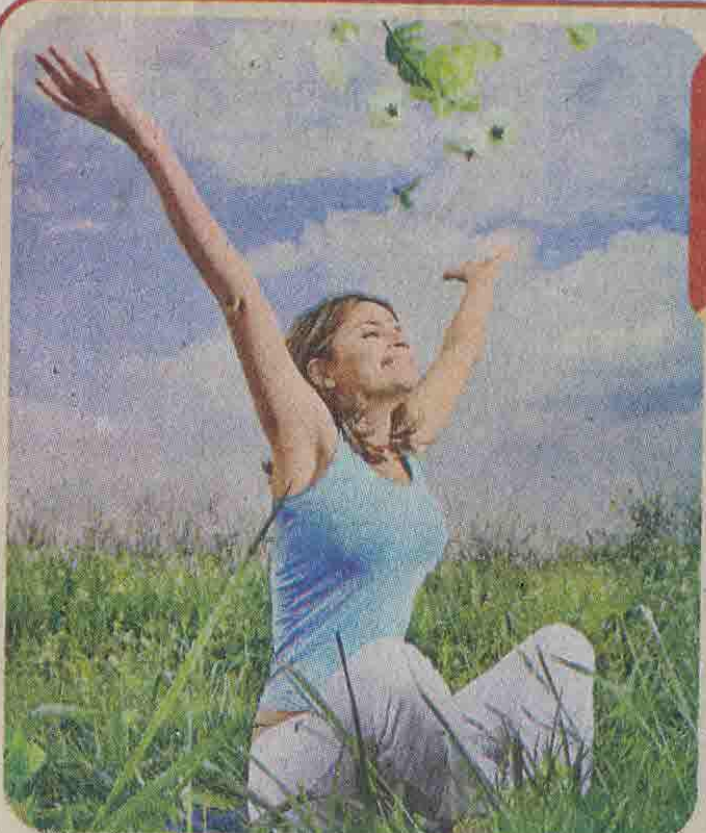
निवेश की सीमा: किसी भी पीपीएफ खाते में एक साल में अधिकतम एक लाख रुपया ही निवेश किया जा सकता है। हालांकि आप चाहें तो एक लाख से ज्यादा का निवेश कर सकते हैं, पर सरप्लस राशि पर किसी भी तरह का रिटर्न पाने के आप हकदार

सूचना

इनवेस्टमेंट पेज में दिए गए सभी आलेख एक्सपर्ट्स की राय के आधार पर दिए गए हैं। निवेशक निवेश से पहले अपने वित्तीय सलाहकारों की सलाह अवश्य लें।

प्रस्तुति : विवेक झा डिजाइनिंग : कैलाश शाक्य

Dainik Jagran 3.03.15



तनाव मुक्त जीवन जीने के बजट टिप्स

अपने खर्च पर निगरानी रखिए

बजट का खाका अपने खर्चों को ध्यान में रखकर, खासकर जो सबसे महत्वपूर्ण होते हैं, किया जाता है। अतएव बजट के बाद परिवार के सदस्य को यह भरोसा रहता है कि अगर ज्यादा खर्च करेंगे तो उनका बजट गड़बड़ हो सकता है। अतएव वे छोटे-छोटे उद्देश्यों को ध्यान में रखकर खर्चों में कटौती करते हैं।

जब भी आप पैसे को खर्च करें, खासकर एक बड़ी रकम, आप उस खर्च को नोट करते रहें। हमेशा याद रखें कि यह आपका पैसा है और इसे कहां खर्च करना है, इसके बारे में आपके पास अच्छे आइडिया होने चाहिए।

रूप में हो सकता है या फिर क्रेडिट कार्ड भुगतान के लिए तय राशि के रूप में। क्रेडिट कार्ड की न्यूनतम राशि का भुगतान न करने की गलती कभी न करें क्योंकि यह बाद में काफी महंगा हो सकता है और आपके बजट को बिगाड़ सकता है।

कुछ अलग से पैसे रखिए

जब आप अपने आर्थिक लक्ष्यों को पूरा करने के लिए बचत करते हैं और घरेलू बजट को भी इसमें समाहित करते हैं तो इसके साथ यह भी एक अच्छा आइडिया हो सकता है कि आप अपने मासिक बजट में से थोड़ा पैसा अलग से निकालकर रखिए। यह पैसा आपातकाल के खर्चों या उपभोग में आई वृद्धि के लिए कारगर हो सकता है। इस पैसे को नियमित तौर पर किसी बचत या रिकरिंग सेविंग खाता या फिर किसी शॉर्ट टर्म डिपॉजिट में लगाया जा सकता है। समय के साथ इस पैसे में वृद्धि होती है और इसको आप घरेलू बचत की चीजों में या फिर अपने आर्थिक लक्ष्यों को पूरा करने के लिए इस्तेमाल कर सकते हैं।

हैं। जबकि क्रेडिट कार्ड में ये वैयक्तिक होता है और इसका इस्तेमाल करते समय आपको पैसा खर्च करने जैसा कुछ महसूस नहीं होता है, जब तक कि आपको कोई बिल ना मिल जाए। नकदी का इस्तेमाल करने की आदत डालने से आपके खर्च में कटौती आती है और आप किसी भी चीज की आवेग

पैसा भी बचाते हैं और निवेश भी करते हैं। क्योंकि धूम्रपान ना करने वालों के लिए जीवन बीमा कंपनियां प्रीमियम शुल्क भी कम कर देती हैं।

अन्य पारिवारिक सदस्यों को भी शामिल करें

आप अपने बजट पर टिके रहें और इस पर अच्छा काम करें, इसके लिए सबसे सुनिश्चित तरीका यह है कि आप बजट के अनुशासन में सिर्फ अकेले व्यक्ति न रहें। आपको चाहिए कि आप बजट तैयार करने के इस अभ्यास में परिवार के अन्य



निर्मल रेवाड़िया
बिजनेस प्रमुख,
एडलवाइस
फाईनेंशियल प्लानिंग

सदस्यों को भी शामिल कीजिए और उन्हें क्या-क्या खरीदारी करनी है, इसका भी एक नोट बना लें। वह इसलिए कि बजट के हिसाब से खर्च करने में आप सिर्फ अकेले व्यक्ति न रहें, बल्कि परिवार के पूर्ण सदस्य इस अनुशासन का पालन करें।

कर्जा का भुगतान पहले करें

सामान्यतया सभी के ऊपर कोई न कोई ऋण होता है। यह क्रेडिट कार्ड भुगतान या पर्सनल लोन या आवास या कार ऋण के रूप में हो सकता है। जब आप बजट का खाका तैयार करते हैं तो यह सुनिश्चित कीजिए कि कर्ज का भुगतान करने के लिए पैसे का निर्धारण पहले करें। यह ईएमआई के

में आकर खरीदारी करने से बच जाते हैं।

महंगी आदतों से घुटकारा पाईए

अक्सर ऐसा भी होता है कि लोग बाहर का खाना खाने, सिनेमा देखने जैसे कई काम में लगे रहते हैं। निःसंदेह इससे रोजाना की परेशानियों और नीरसता से छुटकारा मिलता है, खासकर उन्हें जो बहुत पेशेवर जीवन जीते हैं। परंतु भारत जैसे देश में जहां महंगाई मुंह बाए खड़ी रहती है, ये काफी महंगे पड़ जाते हैं।

अतएव या तो आप इन सब आदतों को छोड़ दीजिए या कम कर दीजिए, या फिर कोई सस्ता रास्ता निकालिए क्योंकि आखिर में आप यही चाहेंगे कि इस तरह के खर्चों से अनावश्यक रूप से बचा जाए ताकि कोई आर्थिक बोझ ना आए। इसके बाद खर्चीले और नुकसान देह खर्चों की बात आती है जैसे कि धूम्रपान और शराब, जिससे बचकर काफी कुछ हासिल किया जा सकता है। इसके अलावा हेल्थी लाइफ स्टाइल वाली बीमा पॉलिसी लेकर

बजट का खाका तैयार करना कोई आसान काम नहीं है। इसमें कई पहलू शामिल होते हैं, जिन्हें बजट में समाहित किया जाता है और इसमें कई काल्पनिक चीजों का भी ध्यान रखा जाता है। अतएव सही बजट बनाना आसान काम नहीं है और इससे भी कठिन है बजट पर टिका रहना और जब आपका बजट इधर-उधर भटक जाता है तो यह आर्थिक और भावनात्मक तनाव को जन्म देता है जो कि आपके घर और कार्य स्थल पर मुश्किलें पैदा करता है। बजट बनाना और इसका पालन करना तब आसान हो जाता है जब कुछ जरूरी टिप्स को अमल में लाया जाए।

नकदी का इस्तेमाल कीजिए

जो भी उपभोक्ता अंधाधुंध अपने कार्ड को स्वाइप करने की बजाय नकद का इस्तेमाल करते हैं वो ज्यादा जिम्मेदार होते हैं। नकदी सीमित होता है और ये पर्सनल होता है। आप इसे महसूस कर सकते हैं और अपने से दूर जाते हुए भी देख सकते